

EXHIBIT 2

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

U.S. BANK NATIONAL ASSOCIATION,)
)
Plaintiff,)
)
v.) Case No.: 12-cv-5598
)
CAPITAL REALTY & DEVELOPMENT, LLC,)
an Illinois limited liability company and)
RICHARD P. TURASKY, JR., individually,)
)
Defendants.)

PROPOSED AMENDED COMPLAINT

NOW COMES U.S. Bank National Association (“U.S. Bank”), by Robbins, Salomon & Patt, Ltd., its attorneys, and for its Amended Complaint against Capital Realty & Development, LLC (“Capital”) and Richard P. Turasky, Jr. (“Turasky”), states as follows:

JURISDICTION AND VENUE

1. U.S. BANK is a national banking association that maintains its principal place of business at 800 Nicollet Mall, Minneapolis, Minnesota 55402.
2. Capital is an Illinois limited liability company that maintains its principal place of business at 385 Airport Road, Elgin, Illinois 60123. The sole member of Capital is Turasky, a citizen of the State of Illinois as set forth in paragraph 3 below.
3. Turasky is a citizen of the State of Illinois residing, upon information and belief, at 126 Boulder Drive, Lake in the Hills, Illinois 60156.
4. This Court has jurisdiction over this matter pursuant to 28 U.S.C. 1332 (a)(1) as the amount in controversy exceeds \$75,000.00 exclusive of interest and costs and the matter is between parties of diverse states.

5. Venue is also appropriate in this Court pursuant to 28 U.S.C. 1391(a) by virtue of the fact that Capital and Turasky reside in this district, and a substantial part of the matters giving rise to this litigation took place in this district.

BACKGROUND

6. On November 27, 2007, Capital and Turasky, as borrowers (collectively the “Borrowers”), executed a Promissory Note Revolving Credit Line in favor of U.S. Bank, in the initial amount of \$2,000.000.00 (the “Note”). A true and correct copy of the Note is attached hereto as Exhibit A.

7. In connection with the execution of the Note, U.S. BANK and the Borrowers also executed a Revolving Credit Loan Agreement dated as of November 27, 2007 (the “Agreement”). A true and correct copy of the Agreement is attached hereto as Exhibit B. Subsequently, U.S. BANK, Capital and Turasky entered into a series of six modification agreements. The First Modification Agreement was dated as of December, 2008 with an effective date of November 27, 2008 (the “First Modification”). A true and correct copy of the First Modification is attached hereto as Exhibit C.

8. On December 9, 2009, the parties entered into a Second Modification Agreement with an effective date of November 27, 2009 (the “Second Modification”). A true and correct copy of the Second Modification is attached hereto as Exhibit D.

9. On March 18, 2010, the parties entered into a Third Modification Agreement with an effective date of February 25, 2010 (the “Third Modification”). A true and correct copy of the Third Modification is attached hereto as Exhibit E.

10. On November 15, 2010, the parties entered into a Fourth Modification Agreement with an effective date of August 26, 2010 (the “Fourth Modification”). A true and correct copy of the Fourth Modification is attached hereto as Exhibit F.

11. On March 31, 2011, the parties entered into a Fifth Modification Agreement with an effective date of February 26, 2011 (the “Fifth Modification”). A true and correct copy of the Fifth Modification is attached hereto as Exhibit G. The Fifth Modification, *inter alia*, modified the maturity date of the Note to reflect a maturity date of February 26, 2012.

12. Finally, on January 20, 2012, the parties entered into a Sixth Modification Agreement with an effective date of December 31, 2011 (the “Sixth Modification”). A true and correct copy of the Sixth Modification is attached hereto as Exhibit H.

13. The Sixth Modification provided, among other terms and agreements, a specific acknowledgement by both Capital and Turasky that they failed to make a \$250,000.00 principal payment which was due on or about September 30, 2011, and that their failure to do so constituted an event of default under the Note, Agreement and other loan documents. (Exhibit H, ¶1)

14. Capital and Turasky further acknowledged and agreed that the principal balance outstanding under the Note as of the effective date of the Sixth Modification was \$1,528,178.19, which amount did not include accrued interest or fees, if any, owing to U.S. BANK. (Exhibit H, ¶2)

15. Capital and Turasky further agreed that as a condition to the effectiveness of the Sixth Modification, they would make a principal payment to U.S. BANK in the amount of \$25,000.00 to reduce the outstanding balance under the Note to \$1,503,178.19, and that commencing January 1, 2012, and continuing on the first date of each consecutive month

thereafter, they would make additional principal payments in installments of \$10,000.00 each, plus a final payment equal to all unpaid principal and accrued interest, until they had paid the Note in full. (Exhibit H, ¶¶ 2, 3)

16. Capital and Turasky have breached the Note, the Agreement and their undertakings set forth in the Sixth Modification. Capital and Turasky failed to make the payments due under the Sixth Modification as discussed above. In addition, the Note has matured and Capital and Turasky have failed to repay the outstanding principal balance and all other amounts due and owing under the Note.

17. As a result, U.S. Bank is entitled to recover, without demand or notice, the entire balance of principal together with an accrued interest at the default interest rate of Libor, plus 10 percent.

18. To date, \$1,493,178.19 in unpaid principal remains due and payable under the Note.

19. In addition, pursuant to the terms of the Note and the related modifications, Capital and Turasky are liable to U.S. BANK all reasonable attorneys' fees and costs incurred in enforcing U.S. BANK's rights and remedies under the Note, Agreement and the various modifications.

WHEREFORE, U.S. Bank National Association respectfully requests that judgment be entered in its favor and against Capital Realty & Development, LLC and Richard P. Turasky, Jr., personally, jointly and severally in the amount of \$1,493,178.19, together with accrued interest thereon in the amount of \$62,292.45, late charges in the amount of \$849.54, plus attorneys' fees and costs.

U.S. BANK NATIONAL ASSOCIATION

By: /s/ Vincent T. Borst
One of Its Attorneys

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